

SECRET

DD/A Registry

Executive Registry

76-81677

76-3716





24 JUL 1976

MEMORANDUM FOR: Deputy Director for Administration

SUBJECT: Guidance for Preparation of the FY 1978
OMB Budget

1. Based upon my review of the FY 1978 Agency Program Plan and my presentation of the Plan to the Committee on Foreign Intelligence (CFI), the program levels for your Directorate for Fiscal Years 1977 and 1978 are:

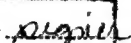
	1977	1978	
Funds			25X1A
Positions			

2. The FY 1977 funds figure has been reduced by \$30,000 to reflect transfer of responsibility for Project  from the Office of Security to the CI Staff/DDO. Also, the FY 1977 figures have been adjusted to reflect transfer of three positions and \$60,000 from the DDI  to ODP for . In addition, the FY 1977 program level also reflects the denial by the Senate Appropriations Committee of our appeal for restoration of  modernization program, but assumes that the balance of our appeal to the Senate of the House action on our FY 1977 budget request will be sustained. The FY 1978 figures reflect the recommendations made by the Comptroller in the FY 1978 Agency Program Plan, adjusted to reflect those changes made following my review of the Plan with you on 12 July 1976, and changes made subsequently by the CFI. Specifically, I approved the following changes in the Plan as initially proposed by the Comptroller:

	Positions	Funds
ODP	+ 3	+\$ 60,000
OL	+ 3	+\$ 60,000
OMS	+ 2	+\$ 40,000

3. The CFI made the following additional changes in the program I recommended for your Directorate:

SECRET

2 IMPROVED BY 

SECRET

25X1A

Clandestine Communications (OC 6)
Computer Services (ODP 4)
Building Planning Staff (OL 8)
Standard Level User Charges (SLUC 1)

Total



While the funds for the Building Planning Staff were eliminated by the CFI, the five positions involved were not. These positions may be used either to restore positions previously cut from the base or to meet new position requirements as discussed in your 12 July 1976 Memorandum to the Comptroller.

4. The program levels in paragraph 1 above are based upon the recommendations reflected in the Agency Program Plan (July 1976), adjusted for the changes summarized in paragraphs 2 and 3 above, and should be used as your input to the Financial Resources System (FRS) in the preparation of your FY 1978 OMB Budget. If any significant changes from the program approved for your Directorate are contemplated, you should review them in detail with the Comptroller before entering them into the System.

5. The FY 1977 Congressional Budget reflected ten reimbursable positions in OTR separate from the position data shown for the DDA. These ten reimbursable positions should be entered into the FRS data base for the FY 1978 OMB submission in both the FY 1977 and FY 1978 position columns for OTR and thus included in the total positions for the DDA. Funds for these positions are not included, however, and neither funds nor A.E. should be entered into the data base for either year.

6. The FY 1978 program level includes four positions from among 31 reimbursable positions carried as a separate item in the FY 1977 Congressional Budget. We have elected to distribute those positions to offset reductions we would otherwise have had to make in your FY 1978 position allocation. Should the 31 positions become a matter of particular interest during the OMB review, they may be vulnerable. If they are lost to the Agency, it will be necessary to decrease your FY 1978 position allocation by four. Funds totalling \$80,000 have been included for these positions. In the event the positions are lost, the Directorate FY 1978 funds will be affected accordingly.

25X1A



E. H. Knoche
Deputy Director of Central Intelligence

SECRET